

Senate T&E Committee  
January 21, 1991  
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SENATE LEGISLATIVE COMMITTEE  
ON TRADE AND ECONOMIC DEVELOPMENT

January 21, 1991Hearing Room 343  
3:00 P.M.State Capitol  
Salem, OR

Tapes 5-6  
Oregon Progress Board Presentation

MEMBERS PRESENT:           SEN. WAYNE FAWBUSH, CHAIR  
                                  SEN. JEANNETTE HAMBY  
                                  SEN. JIM HILL  
                                  SEN. PEG JOLIN  
                                  SEN. EUGENE TIMMS

MEMBERS EXCUSED:SEN. BILL BRADBURY

STAFF PRESENT:            JOSEPH CORTRIGHT, EXECUTIVE OFFICER  
                                  TAMIRA MILLER, POLICY ANALYST  
                                  JERI CHASE, OFFICE MANAGER

WITNESSES:DUNCAN WYSE, EXECUTIVE DIRECTOR, OREGON PROGRESS  
                                  BOARD  
                                  ED WHITELAW, MEMBER, OREGON PROGRESS BOARD

NOTE: These minutes contain materials which paraphrases and/or summarizes statements made during this meeting. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE 5, SIDE A

000 CHAIR FAWBUSH: Convenes the meeting at 3:25 p.m.

010 DUNCAN WYSE: Begins presentation on Oregon Benchmarks (EXHIBIT A) and slide show  
                  overviewing the Oregon Progress Board and the benchmarks (EXHIBIT B).

095 CHAIR FAWBUSH: Where would the federal growth rate fall in comparison to Oregon?

097       WYSE: We are estimated to grow slightly faster than the nation.

098       WHITELAW: Slightly below the median.

100 WYSE: We are in the middle of two economies growing very well - California and Washington. There will be growth.

110 WYSE: Continues presentation of EXHIBIT B.

233 SEN HAMBY: What action does the Progress Board recommend as a solution for the skills shortage among high school graduates/drop-outs?

236 WYSE: The Progress Board believes that there needs to be a shift for those who are not college-bound to achieve more fundamental skills and technical education and a more smooth school-to-work transition. The Board also has additional recommendations for different stages of human development.

267 WHITELAW: As you begin earlier, there is a wider choice of strategies to achieve this. One thing we have tried to focus on frequently are low-cost, high pay-off solutions. The strategies used by Lincoln County (community mentoring, etc.) have been relatively low budget, very effective tools.

310 WYSE: Continues presentation of EXHIBIT B.

443 SEN JOLIN: What kind of growth is occurring in Oregon, specifically by age group? In my district, about 75 percent of the growth is occurring among people who are retired.

453 WYSE: We have data on growth rates that varies by region that I will provide you with.

462 WHITELAW: The disproportional number of seniors among in-migrants is characteristic of the South Coast, Central Oregon, and Douglas County. Throughout the state, as a whole, there is a much more traditional age distribution - a big bulge in 24-35 bracket. There is fairly substantial variation by region.

TAPE 6 SIDE A

030 SEN JOLIN: What else, aside from a revised tax structure, will it take to get us where we want to be?

039 WYSE: Workforce quality and infrastructure. Those would be the two most important areas if we are serious about a high per capita income state. The issue that needs resolved (relating to tax structure) is our ability to finance public facilities and services.

047 WHITELAW: Infrastructure includes roads, water systems, livable communities. The two big elements are people and place.

052 WYSE: We are very well positioned for growth; the issue is the nature and quality of that growth. Workforce quality and infrastructure will be important elements for the type of growth Oregonians want.

055 WYSE: Continues presentation of EXHIBIT B.

136 SEN TIMMS: Where is health care in the benchmarks?

140 WYSE: Rural health care is one of our key benchmarks. We believe it is one of the major issues for rural areas.

149 SEN TIMMS: How long will it take you to monitor a program?

155 WYSE: We want to measure achievements every two years with a biennial report to the legislature. That creates accountability for the policy issue. The data is generally collected from other departments.

175 WHITELAW: There are instances where we cannot get exactly the data we want. We are trying to improve our measurement capabilities. We may discover that some of these cannot indicate a change within two years.

202 WYSE: We decided, in the final report, to leave the category in even if it was not yet currently measurable.

211 WHITELAW: For example, everywhere in the state we went we were told that groundwater quality and quantity was an incredibly important issue for them - but there is currently no organized data collection that can be used for measurement in this area.

215 WYSE: It is as important to know that there is no available data for this important issue as it would be to know the data if it were available. This may tell us we need to put data collection for this on our agenda.

237 WHITELAW: This was, in many ways, very discouraging. Many of us have strong opinions on these issues that cannot be verified by data. We cannot describe where we are now; we have to know that before we can begin to improve it.

247 SEN TIMMS: In certain areas, is there too much information?

250 WYSE: In general, the best data is economic data. Employment information is very comprehensive. Your Committee is unusually rich with data. In most policy areas, there is very little data. A lot of the agencies that are not usually involved in data collection are finding this a very useful focusing exercise for themselves.

270 WYSE: We want to make this an accounting system for the state. To do that, we want to make sure the Legislature believes these benchmarks make sense as a set of measures that, if achieved, would be the future we want for Oregon.

347 SEN. JOLIN: Some of the data you collect could also be very crucial to rural areas and the continuation of funding for programs that are important to them.

375 WYSE: Begins presentation of EXHIBIT A (overall structure).

470 WYSE: Continues presentation of EXHIBIT A (key and lead benchmarks).

TAPE 5 SIDE B

030 WYSE: Continues presentation of EXHIBIT A (key and lead benchmarks).

100 CHAIR FAWBUSH: What are your suggestions for use of the benchmarks?

101 WYSE: As we see it, it is the backbone of the strategic planning system. One way to use it is to look at broad categories and decide where you need to intervene to achieve strategic results. We hope to have a report ready soon that will address fundamental changes we need to achieve the human investment benchmarks. You could also use it to set targets in more specific subject areas - track your agency programs, etc.; this could be used in a policy and budgetary manner. This would be a good area of focus. You could also use it as performance review measures for agencies - a way of tracking for results. Over time it is an accountability system for all of us. It can be a powerful tool for policy discussion for legislative, executive, and local governments.

142 CHAIR FAWBUSH: Can we go beyond that? It is nice to use it as a document to remind us of our obligations. If we continue the Progress Board, and, as an example only, during the session we cut funding for programs that would help reduce the teen pregnancy rate and they begin to increase, what role could the Progress Board have to use these benchmarks to remind people we are going the wrong direction? How do we make this an ongoing document that has some authority?

163 WYSE: The immediate use for it is to focus us on what we should be doing. This can suggest to us where our priorities should be.

167 SEN HANBY: We just received a report in Judiciary Committee on drug addicted babies and teen pregnancies. Currently we have a budget of \$15 million for treatment for drug addicted pregnant women and I am afraid that amount will not be available. That is the question. How can we use all of this effort to remind the entire Legislature that this issue is vital?

189 WYSE: We tried to build these items into the Governor's recommended budget. There were severe budget constraints and we couldn't do as much as we would have liked. The Board will say to you, "That is a priority, even in tough decision-making times, and if you care about the long run, you need to focus on it."

203 CHAIR FAWBUSH: If we go through the session and do not come any closer to achieving any of the

benchmarks, once ignored, you could always become increasingly ignored and irrelevant. How can this be avoided?

218 WHITELAW: Money does play a part in this.

220 WYSE: The Governor's recommendations for lottery funds are connected to these lead benchmarks.

224 CHAIR FAWBUSH: We could use all of the lottery funds on the first three items on the first page of lead benchmarks and maybe make a good start only.

231 WHITELAW: Several years ago we were lamenting several things: 1) no institutional memory in the Legislature; 2) no whistle-blower, ombudsman, or institutional entity to call us to task about what we were supposed to do. Lottery dollars are part of it, but a less important part than the alternative means - op ed pieces, editorial boards, legislative hearings, etc., a sincere commitment by the Legislature and Governor. We are trying to set up an avuncular relationship as opposed to adversarial. How the Legislature responds to it this session will determine whether or not we are ignored.

270 SEN. TIMMS: I don't think anyone would disagree with the lead benchmarks; I do disagree with the use of lottery funds to achieve them. It must be General Fund.

290 CHAIR FAWBUSH: Even if we say it is one-time, if you fund it once with lottery funds, it creates the expectation for future funds. That is why Head Start needs to be General Funds. It is the one proven successful program for children at-risk. We know this because it has been well documented. There is not enough money in the state to even hold our own with these benchmarks. We can't achieve these benchmarks with the present budget. So, the question is, what do we do? We can't increase taxes. We can't reallocate revenue from one "benchmark to the other" and get anywhere. This is an opportunity for the Progress Board to communicate to the Legislature and the public. How have you dealt with educating the public to what may be their potential obligations as citizens of Oregon to guarantee their own future? Are you doing anything like that?

331 WHITELAW: We are focusing on legislative interaction now. We have a couple of ideas about how to reach the public. We have been thinking about something along the lines of (metaphorically speaking) "billboards". Talking about them in newspapers. Continuing discussion sessions. We have also discussed developing regional benchmarks - subsets of benchmarks.

366 WYSE: In our strategy for targeting the public, this year we tried to reach the decision leaders - legislators, city managers, etc., to develop the quality product. We did not have the resources to do

public outreach without a product. Now that we have it, reporters are talking about it with us and we need to get this more widely circulated. We do feel that we have reached most of the decision-makers in most major subject areas. There has been a lot of interaction.

392 CHAIR FAWBUSH: How do Committee members think we should deal with this report? Should we adopt it? Should we take it under advisement? Should we review it and change it? Keep in mind that if this is effective, we will be held accountable for what the Executive Branch is accomplishing. For the first time, we would have quantifiable measurement of our job performance.

420 SEN TIMMS: I was not a real believable in this program; I thought it was too idealogical. Too much work for a process that was not going to help. However, I am impressed with what has been done. These benchmarks go beyond this committee. The Ways and Means Committee is the committee that has the budgetary power for achievement of these goals.

470 WHITELAW: I am interested in what is now impressive, when you were worried before.

480 SEN. TIMMS: I am impressed because you have defined priorities. I recognize areas that we have worked on in the Legislature; this makes me proud of the process.

TAPE 6, SIDE B

030 SEN. TIMMS: We have tried to address many of these areas. It is practical and possible to do it. That bothered me - whether or not it was doable.

040 SEN. HAMBY: Governance has traditionally happened by crisis with no long range planning. I like the idea of accountability.

050 WYSE: To be used it must become part of the way of doing business; there will be no instant gratification. This tool may make things easier and allow for more focus. The Legislature must understand it.

068 CHAIR FAWBUSH: Despite all of my concerns, you have exceeded my expectations in transforming an idea into a concrete piece of excellent work.

087 SEN. TIMMS: We don't traditionally audit or show performance. We could relate the performance to the tax burden and be very successful.

110 CHAIR FAWBUSH: Adjourns the meeting at 4:55 p.m.

Submitted by,

Jeri Chase

Office Manager

EXHIBIT SUMMARY

EXHIBIT A -Oregon Benchmarks, presented by Duncan Wyse, 31 pages

EXHIBIT B -Benchmarks slide show copies, presented by Duncan Wyse, 67 pages